



South Dakota Economic Update

January 28, 2016

Summary

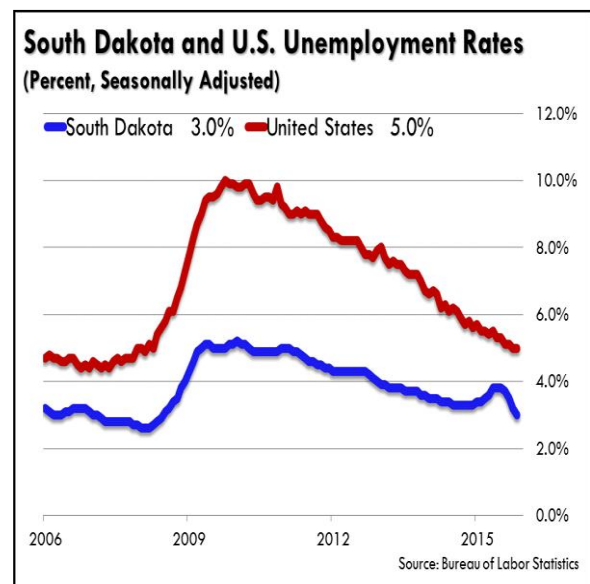
Nonfarm payroll employment in South Dakota increased by 1,800 jobs and the unemployment rate decreased to 2.9 percent in December according to data released by the Bureau of Labor Statistics (BLS).

South Dakota Unemployment Rate

During December, the unemployment rate in South Dakota decreased to 2.9 percent. The number of people counted as unemployed decreased by 300 in December to 13,400, while the labor force increased by 1,600 to 456,200.

The 10-year peak for the unemployment rate in South Dakota was 5.2 percent in January 2010. The series high for the unemployment rate in South Dakota occurred in January 1983 when the unemployment rate reached 5.9 percent. The 10-year low for the unemployment rate in South Dakota was 2.6 percent in March 2008. The series low for the unemployment rate in South Dakota occurred in July 2000 when the unemployment rate reached 2.4 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



South Dakota Payroll Employment

South Dakota nonfarm payrolls increased by 1,800 jobs, or -0.07 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls decreased by 300. Over the past 12 months nonfarm payrolls in South Dakota increased by 9,400, or 2.21 percent. South Dakota nonfarm payroll employment has increased in 10 of the past 12 months.

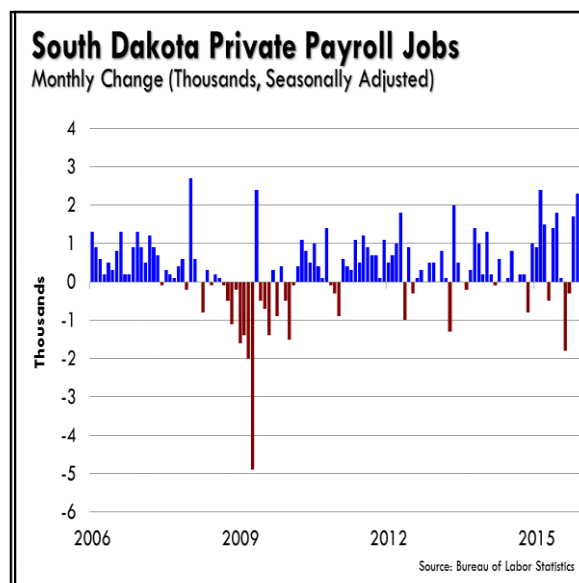
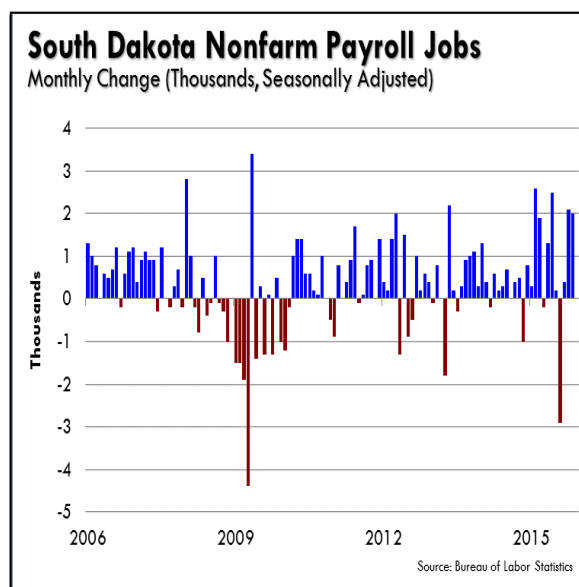
Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

During December, South Dakota private-sector payrolls decreased by 500, or -0.14 percent. Private-sector payrolls increased by 1,900 jobs in the prior month. Over the past 12 months, private-sector payrolls in South Dakota increased by 7,700, or 2.22 percent. South Dakota private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in South Dakota increased by 200, or 0.25 percent. Federal government payroll employment remained unchanged. State government payroll employment increased by 100, or 0.54 percent, while local government payroll employment increased by 100, or 0.2 percent.

Over the past year, total government payroll employment increased by 1,400, or 1.81 percent. State government payroll employment remained unchanged. Local government payroll employment increased by 800, or 1.66 percent.



The best performing sectors on a seasonally adjusted basis during December were Trade, Transportation, and Utilities (+900) and Professional and Business Services (+0). The poorest performing sectors during the month were Leisure and Hospitality (-600) and Education and Health Services (-300).

The best performing sectors during the last twelve months were Professional and Business Services (+2,500) and Trade, Transportation, and Utilities (+2,100). The poorest performing sectors for the year were Other Services (-400) and Information (-300).

Other South Dakota Labor Force Statistics

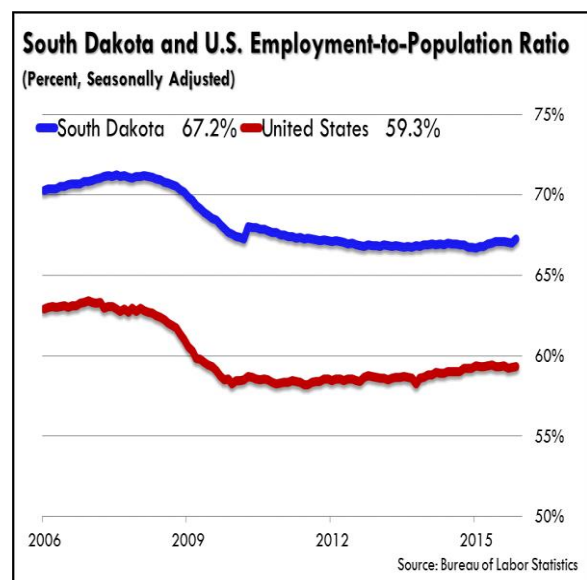
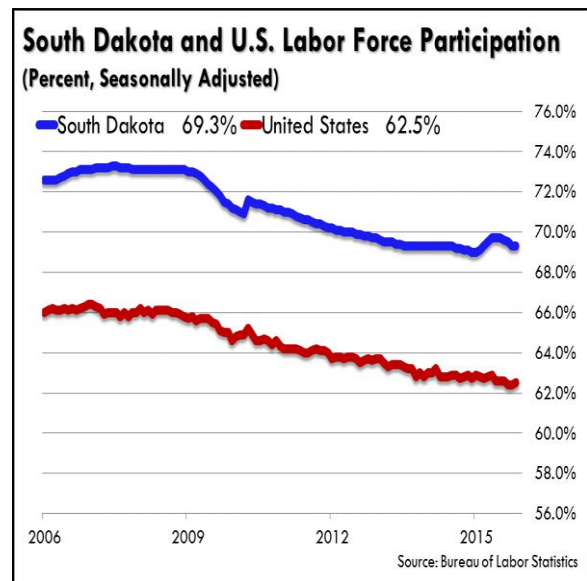
The labor force participation rate in South Dakota increased to 69.5 percent in December. The labor force participation rate in South Dakota is up 0.5 percent from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in South Dakota was 73.3 percent in July 2007. The series high for the labor force participation rate in South Dakota occurred in July 2004, when the labor force participation rate hit 73.4 percent. The 10-year low for the labor force participation rate was 69 percent in January 2015.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the South Dakota civilian noninstitutionalized population 16 years and older counted as employed, increased by 0.3 percent in December.

The 10-year high for the employment-to-population ratio in South Dakota was 71.2 percent in July 2007. The series high for the employment-to-population ratio in South Dakota occurred in February 2000 when the employment-to-population ratio hit 71.4



percent. The 10-year low for the employment-to-population ratio was 66.7 percent in July 2013. The series low for the employment-to-population ratio occurred in August 1976 when the employment-to-population ratio hit 62.2 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14th. The national employment situation report for January will be released on Friday, February 5th.